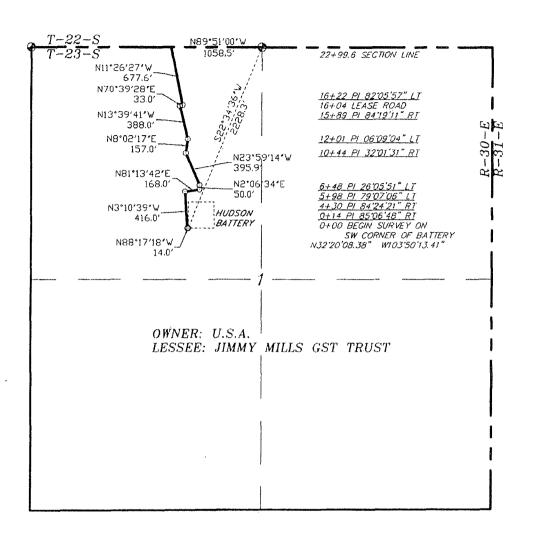
UNITED STATES Form 3160-5 FORM APPROVED DEPARTMENT OF THE INTERIOR (August 1999) OMB No. 1004-0135 BUREAU OF LAND MANAGEMENT Expires November 30, 2000 AUG 27 2013 ease Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NMNM06808 Do not use this form for proposals to drill or to re-chile and ARTES ndian, Allotee or Tribe Name abandon well. Use Form 3160-3 (APD) for such proposals. If Unit or CA/ Agreement, Name and/ or No. SUBMIT IN TRIPLICATE Other instructions on reverse side NMNM07965X Type of Wel Well Name and No. JAMES RANCH UNIT # 126H Oil Well Other Frac Pond 9. API Well No. 2. Name of Operator BOPCO, L.P. 30-015-39254 3a. Address 3b. Phone No (include area code) 10. Field and Pool, or Exploratory Area P.O. Box 2760 Midland, Texas 79702-2760 (432) 683-2277 Quahada Ridge (Delaware) 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1441' FNL, 1821' FEL, SEC 21, T22S, R30E Lat N32.380983, Long W103.883497 EDDY COUNTY, N.M. 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Itent Acidize Deepen Production (Start/ Resume) Water Shut-Off Γ \Box Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair Subsequent Report New Construction -Recomplete Other Change Plans Plug and Abandon Temporarily Abandon Final Abandonmment Convert to Injection Plug Back Water Disposal 13. Discribe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposed is to deepen directionally or recomplete horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be beformed or provide the Bond No. on file with BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) BOPCO, L.P. respectfully requests approval to install a temporary 3" SDR 7 poly surface gas line operating at 50-100 psig from the Hudson Federal battery located in section 1, T23, R30E to the JRU #126H well pad located in section 21, T22, R30E. The drilling rig on location is capable of operating off of natural gas, saving on deisel cost and extra truck traffic. The temporary gas line will start at the Hudson Federal battery and follow lease road north then follow existing Bopco SDW ROW east, north and northwest to the Legg Federal battery. The temporary gas line will then tie into an existing 6" steel buried pipe line to the JRU #126H well location. The gas will go through a check meter at the Hudson Federal battery, line will lay on ROW's, be within 6' of roads and be removed when drilling is complete, +/- 1 year duration. Melvin Balderama with WIPP has looked at proposed line route and has no issues. 14. I hereby certify that the foregoing is true and correct Title Name (Printed/Typed) David Corgill Production Foreman Date Signature 07/29/13 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title Date /s/George MacDonell Approved by Conditions of approval; if any, are attached. Approval of this notice does not warrant or Office certify that the applicant holds legal or equitable title to those rights in the subject lease CARLSBAD FIELD OFFICE which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or

(instructions on reverse)

fraudulent statements or representations as to any matter within its jurisdiction.

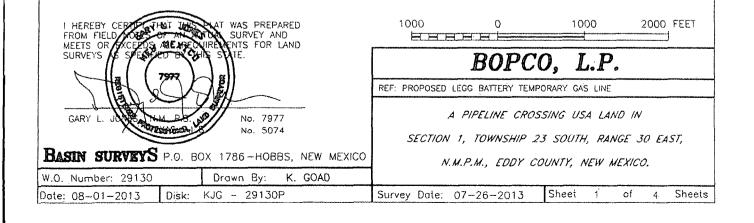
SECTION 1, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



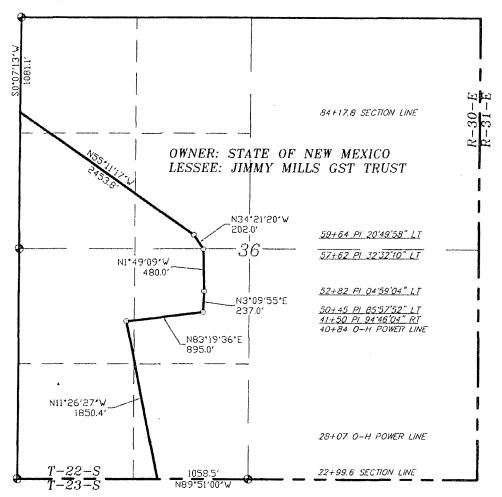
LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 1, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SEC. 1 2299.6 FEET = 0.44 MILES = 139.37 RODS = 1.58 ACRES



SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY. NEW MEXICO.



LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY.

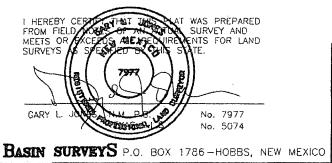
BEGINNING AT A POINT ON THE SOUTH SECTION LINE WHICH LIES N.89'51'00"W., 1058.5 FEET FROM THE SOUTH QUARTER CORNER OF SAID SECTION 36; THENCE N.11'26'27"W., 1850.4 FEET; THENCE N.83'19'36"E., 895.0 FEET; THENCE N.03'09'55"E., 237.0 FEET; THENCE N.01'49'09"W., 480.0 FEET; THENCE N.34'21'20"W., 202.0 FEET; THENCE N.5511'17"W., 2453.8 FEET TO A POINT ON THE WEST SECTION LINE WHICH LIES S.00'07'13"W., 1081.1 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 36. SAID STRIP OF LAND BEING 6118.2 FEET OR 370.80 RODS IN LENGTH AND CONTAINING 4.21 ACRES, MORE OR LESS, AND BEING ALLOCATED BY FORTIES AS FOLLOWS.

1000

BHBBHB

SE/4SW/4 81.62 RODS OR 0.93 ACRES 92.53 RODS OR 1.05 ACRES NW/4SW/4 32.76 RODS OR 0.37 ACRES

SE/4NW/4 62.15 RODS OR 0.71 ACRES SW/4NW/4 73.05 RODS OR 0.83 ACRES NW/4NW/4 28.69 RODS OR 0.32 ACRES



REF: PROPOSED LEGG BATTERY TEMPORARY GAS LINE

A PIPELINE CROSSING STATE LAND IN

BOPCO.

SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST,

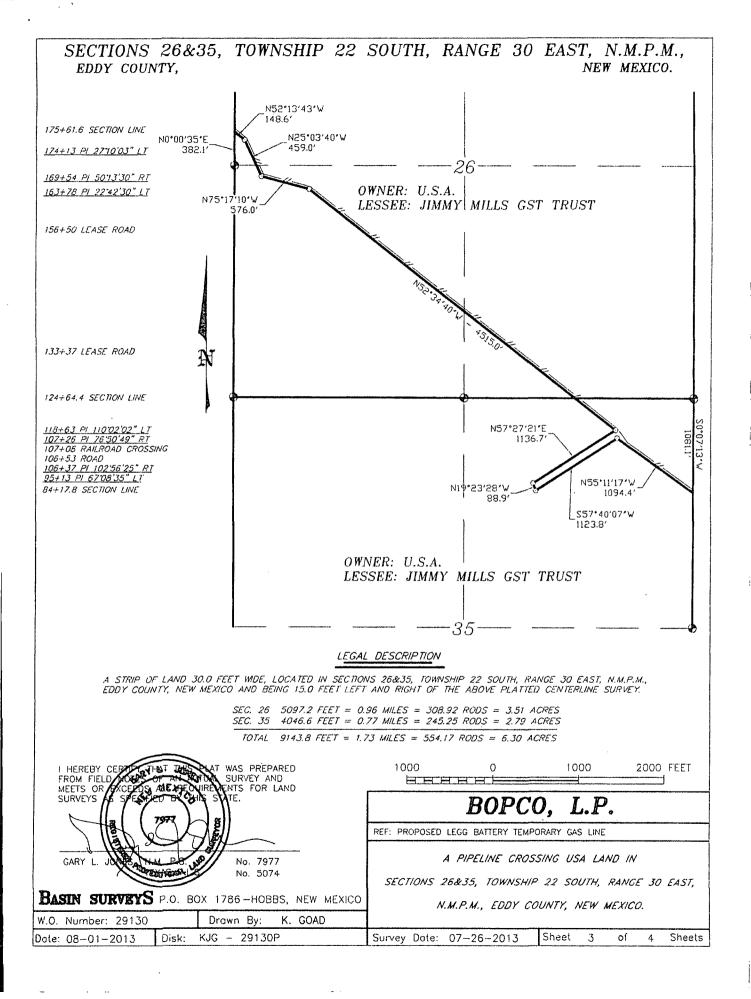
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2000 FEET

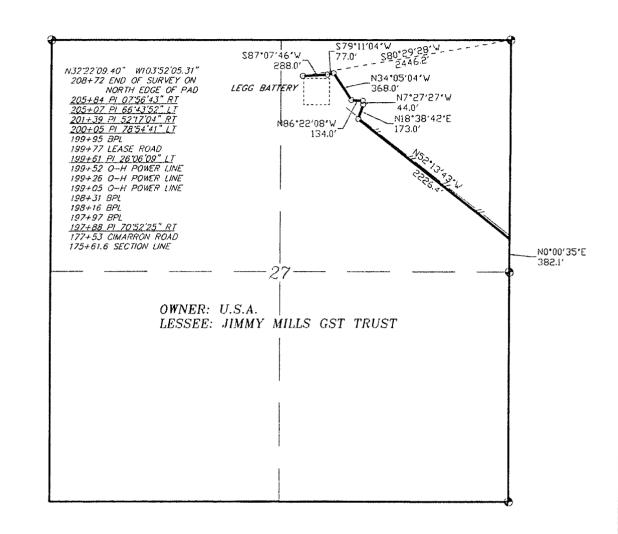
N.M.P.M., EDDY COUNTY, NEW MEXICO.

W.O. Number: 29130 Drawn By:

Date: 08-01-2013 KJG - 29130P Survey Date: 07-26-2013 Sheet Sheets



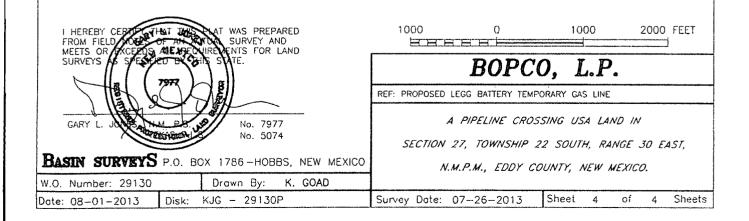
SECTION 27, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

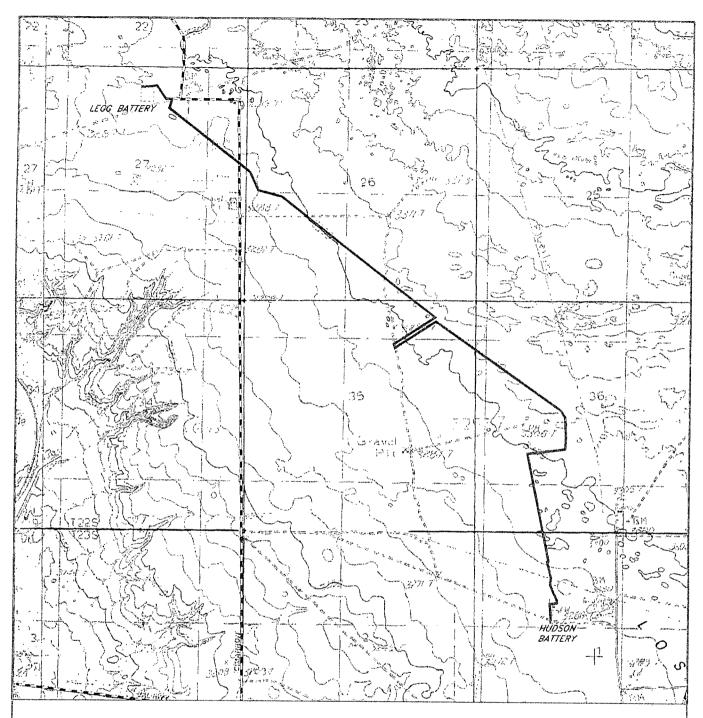


LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 27, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SEC. 27 3310.4 FEET = 0.63 MILES = 200.63 RODS = 2.28 ACRES





PROPOSED LEGG BATTERY TEMPORARY GAS LINE Sections 26,27,35&36, Township 22 South, Range 30 East, Section 1, Township 23 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

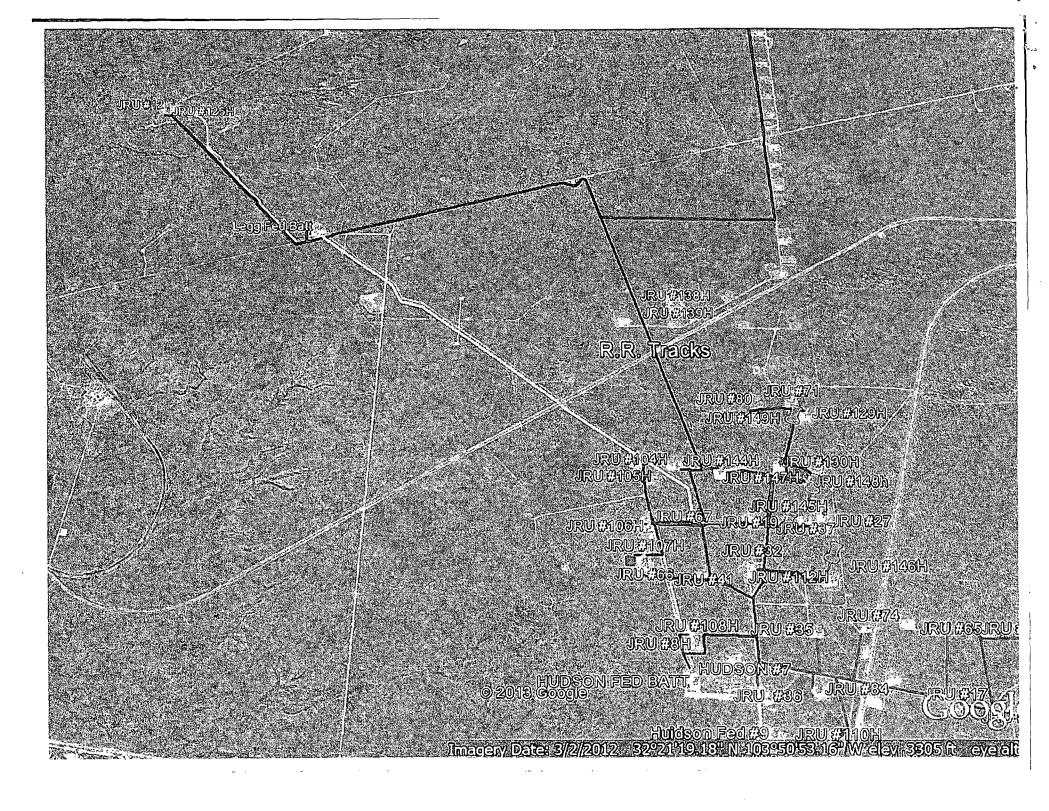


P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 — Office (575) 392-2206 — Fax basinsurveys.com W.O. Number: KJG - 29130 Survey Date: 07-26-2013

Scale: 1" = 2000'

Date: 08-01-2013

BOPCO, L.P.



BLM LEASE NUMBER: NMNM 06808

COMPANY NAME: BOPCO

ASSOCIATED WELL NAME: James Ranch Unit 126H

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the application (Grant, Sundry Notice, APD) and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

- 1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
- 2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
- 3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
- 4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:
 - a. Activities of the holder including, but not limited to construction, operation, maintenance,

and termination of the facility.

- b. Activities of other parties including, but not limited to:
 - (1) Land clearing.
 - (2) Earth-disturbing and earth-moving work.
 - (3) Blasting.
 - (4) Vandalism and sabotage.
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

- 5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.
- 6. All construction and maintenance activity will be confined to the authorized right-of-way width of _______ feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.
- 7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.
- 8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline will be "snaked" around hummocks and dunes rather then suspended across these features.
- 9. The pipeline shall be buried with a minimum of <u>24</u> inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

- 10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
- 11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.
- 13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.
- 14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.
- 15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.
- 16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.
- 17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.

18. Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

Visual Resource Management Class III-

No blading or removal of vegetation and stip #12 listed above.

Construction:

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

Automatic Shut-off Systems:

Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.